



State of Wisconsin Department of Public Instruction

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John T. Benson
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May 23, 2001

Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

**RE: In the Matter of Federal-State Joint Board on Universal Service CC Docket No. 96-45
(FCC 01-143)**

Dear Ms. Salas:

The following comments from the Wisconsin Department of Public Instruction relate to the FCC's Notice of Proposed Rule Making regarding; A. Funding Priority for Internal Connections, and B. Modification of Implementation Schedule for Non-Recurring Services.

A. Funding Priority for Internal Connections

The Wisconsin Department of Public Instruction takes no specific position on the proposal to only fund requests for internal connections from applicants that have not received such funding in the previous year. The department would, however, like to make the following points.

- 1) In three of the E-rate's four funding years there has been insufficient funds to support all requests for discounts on internal connections. The Telecommunications Act of 1996 that established the E-rate program notes, "There should be specific, predictable and sufficient Federal and State mechanisms to preserve and advance universal service." Considering the deficit in funding for internal connections and the mechanism proposed to meet this deficit, our department maintains that the fund is not sufficient and the proposed method of determining discounts for internal connections is not predictable. The FCC's proposal will make funding for internal connections somewhat more predictable but it does not address the needs of thousands of applicants in the lower discount bands.
- 2) This proposed change in the rules, four months after the Year 4 application process closed, reinforces the impression in school and library communities that the whole E-rate program is arbitrary, subject to 11th hour decision making processes, and cannot possibly be understood beyond the confines of the federal bureaucracy. Such actions, or proposed actions, erode support for the program among those it is supposed to help.

3) Regardless of the FCC's action on this issue, the department strongly encourages the FCC to undertake a comprehensive review of the budget for the E-rate program and a similar thorough review of the discount formula. The goal of such reviews must be to make the program truly “predictable and sufficient” for our schools and libraries.

B. Modification of Implementation Schedule for Non-Recurring Services

The department strongly supports the FCC's proposal to extend permanently the time for completion of projects related to non-recurring services. This extra time (to September 30) will be helpful to all applicants, but especially to schools that often use July and August to complete such projects.

Thank you for the opportunity to comment of these issues.

Sincerely,

Robert Bocher
Technology Consultant
Wisconsin Department of Public Instruction